

**MID-SIOUX OPPORTUNITY, INC.  
INDEPENDENT AUDITORS' REPORT  
FINANCIAL STATEMENTS  
AND SUPPLEMENTAL INFORMATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
SEPTEMBER 30, 2007**

**MID-SIOUX OPPORTUNITY, INC.  
SEPTEMBER 30, 2007  
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**MID-SIOUX OPPORTUNITY, INC.**

**Board of Directors**

**September 30, 2007**

**EXECUTIVE BOARD OF DIRECTORS**

Tom Letsche	President
Caryn Barry	Vice President
Marcia Rosacker	Secretary
Joe Cronin	Treasurer

**BOARD MEMBERS**

County	Representing		
	Public	Low-Income	Private
Plymouth	Richard Hatz Tom Letsche	Donald Brundeen Ann Cole – Nelson	Marcia Rosacker Fr. James Tigges
Cherokee	Dean Schmidt	Caryn Barry	Jean Miller Betty Knudsen
Sioux	Vernon Beernink		Carol Van Gelder
Lyon	Merle Koedam Randy Bosch	Evelyn Baldwin Jordan Kordahl	Rev. Robert Chapman
Ida	Joe Cronin	Mikka Belson Jeannie Schrader	

**AGENCY OFFICIALS**

Dick Sievers	Executive Director
Sharon Heidesch	HR/Fiscal Director
Shannon Hofmann	Bookkeeper
Tammy Nilles	Bookkeeper
Melany Roling	Bookkeeper



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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Mid-Sioux Opportunity, Inc.  
Remsen, Iowa

We have audited the accompanying statement of financial position of Mid-Sioux Opportunity, Inc., an Iowa Community Action Agency, established under provisions of Chapter 216A of the Code of Iowa, as of September 30, 2007, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards, Chapter 11 of the Code of Iowa, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mid-Sioux Opportunity, Inc. at September 30, 2007, and the results of its operations, changes in its net assets and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our reports dated December 24, 2007, on our consideration of Mid-Sioux Opportunity, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental information as listed in the table of contents, pages 21 through 72, including the Schedule of Expenditures of Federal Awards required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in our audit of the aforementioned financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

*Williams & Company P.C.*  
Certified Public Accountants

December 24, 2007

MID-SIOUX OPPORTUNITY, INC.  
Statement of Financial Position  
September 30, 2007

<u>Assets</u>	<u>Current</u>	<u>Local Property and Equipment</u>	<u>Total</u>
Cash and Cash Equivalents	\$ 485,776		\$ 485,776
Receivables			
Grant Awards and Contracts - Note 2	533,356		533,356
Accounts	18,521		18,521
Due from Other Programs	54,736		54,736
Accrued Interest	60,079		60,079
Prepaid Insurance	50,448		50,448
Investment in Securities	2,055		2,055
Notes Receivable - Note 3	770,000		770,000
Property and Equipment (net) - Note 4	287,066	\$ 524,617	811,683
 Total Assets	 <u>2,262,037</u>	 <u>524,617</u>	 <u>2,786,654</u>
 <u>Liabilities and Net Assets</u>			
Payables			
Accounts	223,741		223,741
Due to Other Programs	54,736		54,736
Accrued Interest	59,214		59,214
Accrued Salaries and Benefits	161,217		161,217
Compensated Absences	18,511		18,511
Grant Advances	59,391		59,391
Notes Payable - Note 5	771,039		771,039
Due to Federal Home Loan Bank - Note 6	90,000		90,000
 Total Liabilities	 <u>1,437,849</u>	 <u>-</u>	 <u>1,437,849</u>
Net Assets			
Undesignated	503,070	524,617	1,027,687
Designated:			
Unrestricted Donor Gifts	103,275		103,275
Grants and Contracts	217,843		217,843
 Total Net Assets	 <u>824,188</u>	 <u>524,617</u>	 <u>1,348,805</u>
 Total Liabilities and Net Assets	 <u>\$ 2,262,037</u>	 <u>\$ 524,617</u>	 <u>\$ 2,786,654</u>

See Accompanying Notes to Financial Statements

MID-SIOUX OPPORTUNITY, INC.  
Statement of Activities  
For the Year Ended September 30, 2007

	<u>Current</u>	<u>Local Property and Equipment</u>	<u>Total</u>
Revenue			
Governmental Funding Sources:			
U.S. Dept of Health and Human Services	\$ 2,161,746		\$ 2,161,746
Iowa Department of Human Rights	1,771,589		1,771,589
Iowa Department of Education	530,106		530,106
Iowa Department of Human Services	1,353,733		1,353,733
Iowa Department of Public Health	470,942		470,942
Iowa Department of Economic Development	20,000		20,000
Iowa Department of Agriculture and Land Stewardship	570		570
FEMA	17,479		17,479
Empowerment funds	491,025		491,025
Public support and donations	188,789		188,789
Interest Income	24,616		24,616
Investment in Plant	-	\$ 101,160	101,160
Other Income	349,817		349,817
Total Revenue	<u>7,380,412</u>	<u>101,160</u>	<u>7,481,572</u>
Expenses			
Program Services			
Family Preservation and Strengthening	2,745,213		2,745,213
Educational Services for the Disadvantaged	2,702,480		2,702,480
Crisis Intervention and Prevention	1,712,918		1,712,918
Support Activities	192,070		192,070
Depreciation	34,776	220,757	255,533
Loss on Disposal of Assets		23,592	23,592
Total Expenses	<u>7,387,457</u>	<u>244,349</u>	<u>7,631,806</u>
Change in Net Assets	(7,045)	(143,189)	(150,234)
Net Assets - Beginning of Year	<u>831,233</u>	<u>667,806</u>	<u>1,499,039</u>
Net Assets - End of Year	<u>\$ 824,188</u>	<u>\$ 524,617</u>	<u>\$ 1,348,805</u>

See Accompanying Notes to Financial Statements

MID-SIOUX OPPORTUNITY, INC  
Statement of Functional Expenses  
For the Year Ended September 30, 2007

	Program Services	Management and General	Total
Expenses			
Salaries and Wages	\$ 1,964,674	\$ 228,929	\$ 2,193,603
Fringe Benefits	727,247	62,562	789,809
Professional and Contract Service Fees	992,294	33,907	1,026,201
Travel	113,696	27,379	141,075
Space Costs	209,609	26,457	236,066
Supplies	198,436	33,033	231,469
Equipment Purchase/Lease	50,327	26,983	77,310
Interest	11,300	6,824	18,124
Insurance	58,692	26,753	85,445
Printing and Postage	58,784	27,317	86,101
Telephone and Utilities	74,866	23,301	98,167
Assistance to Individuals	1,781,856	-	1,781,856
Depreciation		34,776	34,776
Outreach Services	196,264		196,264
Other Costs	330,070	61,121	391,191
Indirect Costs (Note 1.I.)	392,496	(392,496)	-
	<u>\$ 7,160,611</u>	<u>\$ 226,846</u>	<u>\$ 7,387,457</u>
Total Expenses			

See Accompanying Notes to Financial Statements

MID-SIOUX OPPORTUNITY, INC.  
Statement of Cash Flows  
For the Year Ended September 30, 2007

Cash Flows from Operating Activities:	
Cash Received from Grants	\$ 6,796,335
Cash Received from Contributions	189,289
Interest Received	13,316
Other Income	373,247
Cash Paid to Employees	(2,995,541)
Cash Paid to Suppliers	(4,244,991)
Interest Paid	(6,824)
	<u>124,831</u>
Net Cash Provided by Operating Activities	
Cash Flows from Investing Activities:	
Payments to Acquire Property, Plant and Equipment	<u>(101,160)</u>
Net Cash (Used) in Financing Activities	<u>(101,160)</u>
Cash Flows from Financing Activities:	
Payments on Notes Payable	<u>(25,960)</u>
Net Cash (Used) in Financing Activities	<u>(25,960)</u>
Net Decrease in Cash and Cash Equivalents	(2,289)
Cash and Cash Equivalents-Beginning of Year	<u>488,065</u>
Cash and Cash Equivalents-End of Year	<u><u>485,776</u></u>
Reconciliation of Change in Net Assets to Net Cash Provided by Operating Activities:	
Change in net assets	(150,234)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	255,533
Loss on disposal of equipment	23,592
Decrease in accounts receivable	23,430
(Increase) in grants receivable	(20,855)
(Increase) in accrued interest receivable	(11,300)
(Increase) in prepaid insurance	(11,566)
Increase in accounts payable	7,376
Increase in deferred revenue and grant advances	9,687
(Decrease) in accrued salaries and benefits	(30,643)
Increase in accrued compensated absences	18,511
Increase in accrued interest payable	11,300
	<u>275,065</u>
Total Adjustments	
Net Cash Provided by Operating Activities	<u><u>\$ 124,831</u></u>

See Accompanying Notes to Financial Statements

**MID-SIOUX OPPORTUNITY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

Mid-Sioux Opportunity, Inc., an Iowa non-profit corporation, is a community action agency that serves the Iowa counties of Plymouth, Sioux, Lyon, Cherokee and Ida. Mid-Sioux Opportunity, Inc. is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and a similar section of the Iowa income tax law, which provides tax exemption for corporations organized and operated exclusively for religious, charitable, or educational purposes.

Mid-Sioux Opportunity, Inc. administers various programs funded by federal, state and local governmental bodies. Each program is accounted for as a separate fund.

The Agency's financial statements are prepared in accordance with U.S. generally accepted accounting principles as prescribed by the Financial Accounting Standards Board for non-profit corporations.

**B. Fund Accounting**

The accounts of the Agency are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, net assets, revenues and expenses. The various funds are summarized as follows in the financial statements:

Management and General Funds – The Management and General Funds represent funds derived primarily from local sources such as donations, rents and miscellaneous activities. The Agency's overall management and administrative expenses are charged to this fund and then allowable indirect costs are allocated to the various programs which the Agency administers.

Program Funds – Program Funds are used to account for the revenues and expenses contractually restricted by the funding source for specific purposes.

Plant Fund – The Plant Fund is used to accumulate the net investment in fixed assets and to account for the unexpended resources contributed specifically for the purpose of acquiring property and equipment for the Agency.

**C. Basis of Accounting**

Basis of accounting refers to when revenues and expenses are recognized in the funds and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with U.S. generally accepted accounting principles.

Grant or contract revenue is recognized when earned. The grants and contracts are primarily written on an expense reimbursement basis and accordingly, grant or contract revenue is earned when allowable program expenses are incurred. The financial statements present any funds received and not expended as deferred revenue.

**MID-SIOUX OPPORTUNITY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)**

Expenses are recorded when the liability is incurred. Purchases of property and equipment providing future benefits are recorded as expenses in the program at the time of purchase and capitalized in the plant fund.

**D. Basis of Presentation**

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Agency and changes therein are classified and reported as follows:

Unrestricted Net Assets – Net assets not subject to donor imposed stipulations.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

1. Family Preservation and Strengthening – This program includes expenses of the following grants:
  - a. Special Supplemental Food Program for Women, Infants and Children – This program is funded by the U.S. Department of Agriculture through Iowa Department of Public Health and its objectives are to supply supplemental nutritious food and nutrition education as an adjunct to good health care to participants identified to be a nutritional risk.
  - b. Maternal Child Health Block Grant – This program is funded by the Iowa Department of Public Health and its objectives are to provide funds for health services for mothers and children to reduce infant mortality and the incidence of preventable diseases and handicapping conditions among children.
  - c. Access to Baby and Child Dentistry – This program is funded by the Iowa Department of Public Health. Its purpose is to provide oral health services through implementation of the Iowa Access to Baby and Child Dentistry Program which targets EPSDT children from birth to age five.
  - d. Child and Adult Care Food Program (Home Providers) – This program is funded by the Iowa Department of Education and is intended to provide nutritional meals to eligible participants at state registered child day care centers.
  - e. School Based Dental Sealant Program – This Program is funded through the Iowa Department of Public Health. The purpose of the program is to provide dental examinations and application of dental sealants to low-income children in a school-based setting.
  - f. Child Care Resource and Referral – This program is funded by the Iowa Department of Human Services to provide a resource and referral service for child care providers and area residents.

**MID-SIOUX OPPORTUNITY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)**

- g. Benefits for Beginners – This program is funded by Northwest Iowa Community Empowerment funds. Its purpose is to assure that children age 0-5 are provided with adequate child care services.
  - h. Early Childhood – This program is funded by Ida County Empowerment funds. Its purpose is focus on services such as pre-school scholarships and other services to expand child care in Ida County.
  - i. I-Smile – This program is funded with Department of Public Health monies for a dental hygienist to assist families with locating a dental home and to provide dental screenings and preventive care to children. Services are targeted to low-income families.
  - j. SHIP (SHIP In-Home Child Care Support, SHIP Scholarship, SHIP Child Care Nurse Consultant) – This program is funded by Woodbury County Empowerment Funds. Its purpose is to improve the quality of child care services in the county.
  - k. Buena Vista, Sac & Crawford Empowerment – This program is funded through Buena Vista, Sac & Crawford Empowerment funds to provide a resource and referral service for child care providers and area residents in those three counties.
  - l. School Ready – This program is funded by Ida County Empowerment funds. This project provides support through in-home visitation and other services to assure that children are ready to learn when entering the school system.
  - m. Iowa Farmers Market – This program is funded by the Iowa Department of Agriculture and Land Stewardship. Its purpose is to provide food vouchers to eligible households for the purchase of nutritious foods at area farmers markets.
  - n. Siouxland Community Health – This program is funded by Woodbury County Empowerment funds. These funds provide a child health nurse consultant to make home visits to child care providers in Woodbury County.
  - o. Community Services Block Grant – This grant is funded by the U.S. Department of Health and Human Services through the Iowa Department of Human Rights. Its objectives are to provide financial assistance to agencies in alleviating the causes and consequences of poverty. Mid-Sioux Opportunity, Inc. uses these funds for agency wide outreach and administration.
  - p. Outreach Services – These services provide access to agency services and applications through county offices. Emergency services are also available.
  - q. Local Funds – These funds are received from local governments and pay for county based services.
2. Educational Services for the Disadvantaged – This program includes expenses of the following grants:

**MID-SIOUX OPPORTUNITY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)**

- a. Head Start – This program is funded by the U.S. Department of Health and Human Services and has its objectives to provide comprehensive health, educational, nutritional, social and other services primarily to economically disadvantaged preschool children and their families, and to involve parents in activities with their children so that the children will attain overall social competence.
  - b. Teddy Bear Den and United Way Lead Screening – These programs are funded through the Le Mars United Way in order to promote family participation in educational and health services for their children.
  - c. Head Start and At-Risk USDA Food Reimbursement – These funds are made available to child care providers in order to assist in the provision of food related services in child care settings. Reimbursements are based on a per meal or snack served as well as the number of children served.
  - d. At Risk Child Development Grant – This program is funded by the Iowa Child Development Coordinating Council through the Iowa Department of Education to develop and implement programs serving at risk three and four year old children, including food service reimbursement.
  - e. Wrap-Around Grants – These grants assist in extending child care services to children enrolled in Head Start. They are funded through the Iowa Department of Human Services.
  - f. Siouxland Community Foundation – Monies received from the Siouxland Community Foundation provided approved playground equipment to the Child Development Center in Hawarden.
3. Crisis Intervention and Prevention – This program includes expenses of the following grants:
- a. FADSS – This program is funded by the Iowa Department of Human Rights and serves families on the state Family Investment Program. The program's purpose is to assist families in achieving economic independence.
  - b. FEMA – This program is funded by the Federal Emergency Management Agency. Its purpose is to assist families with food, utility and rental costs.
  - c. Low Income and Home Energy Assistance Program – This program is funded by the U.S. Department of Health and Human Services through the Iowa Department of Human Rights. Its primary objective is to provide home energy assistance to low income individuals in the form of cash payments to the individual or energy supplier vendors.
  - d. Home Energy Assistance Weatherization Program – This program is funded by the U.S. Department of Health and Human Services through the Iowa Department of Human Rights. Its objective is to provide home energy assistance through the installation of energy conservation measures for low income households.

**MID-SIOUX OPPORTUNITY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)**

- e. I-Care Fuel Assistance Program- This program is funded by voluntary contributions to Mid-American Energy by its customers. This program is designed to provide financial assistance to eligible persons to pay for emergency heating assistance.
  - f. HSOG – Housing Shelter Opportunities Grant Program – This program is provided through the Iowa Department of Economic Development. These funds are used to provide emergency rent and utility payments.
  - g. Housing Grant – This program is funded by the Iowa Department of Economic Development in order to promote housing development.
  - h. Weatherization Assistance for Low Income Persons (DOE) – This program is funded by the U.S. Department of Energy through the Iowa Department of Human Rights. Its objectives are to conserve energy and reduce the impact of rising energy costs on low income persons, particularly the elderly and handicapped, through the installation of energy conserving measures in their dwellings.
  - i. Weatherization Inventory Contract – This contract is funded by the Iowa Department of Human Rights to supply grant money for the initial purchase of weatherization materials.
  - j. Crisis Funds – This program is funded primarily with private donations and is used to assist families in crisis situations with payments for utilities, rent, etc.
  - k. Senior Living – This program is funded through the Northwest Aging Association. Senior Living/Home Repair provides improvement or maintenance of residence in Lyon and Sioux Counties.
  - l. Community Food and Nutrition – This program is funded through the Iowa Department of Health and Human Services. The Iowa Department of Human Rights receives the grant dollars in Iowa. A single contract from the Iowa DHR with West Central Development Corporation (a Harlan, Iowa based Community Action Agency) allowed that agency to then contract with the remaining 17 Iowa CAA's to conduct outreach and application support for the federal Food Assistance Program. Mid-Sioux Opportunity, Inc. utilized those dollars to assist approximately 300 persons in enrolling in the Food Assistance Program.
  - m. Utility Weatherization Programs (MEC & IPL) – These programs are funded by local utility companies through Iowa Department of Human Rights. The funds are used for the installation of energy conserving materials in the homes of low income and disadvantaged individuals.
4. Support Activities – This program includes expenses of the following activities:
- a. Payroll Clearing – This account is for the payment of salaries and related tax and benefit payments. The individual operating grants transfer gross payroll amounts to this account and all disbursements are made from this account.

**MID-SIOUX OPPORTUNITY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)**

- b. Internal Service – The Internal Service account is used to account for the financing of services provided by one department to other programs within Mid-Sioux Opportunity, Inc. This account includes a copy machine, computer system and buildings. These services are provided on a cost reimbursement basis by the use of a user service charge. Presently there is no plan to increase user charges for the use of these items.
- c. Development – This fund was developed for Mid-Sioux's fund raising activities.
- d. Other Funds (Administration, Special Account, and Agency) – These accounts are provided primarily by private contributions which are used for a variety of purposes including, but not limited to, outreach and administration.

**E. Assets, Liabilities and Net Assets**

The following accounting policies are followed in preparing the statement of financial position:

Cash and Cash Equivalents – The Agency considers demand deposits and all other highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Receivables from Grantor Agencies – Reimbursement procedures used for grants and contracts may result in timing differences between program reimbursements and expenses as of the beginning and end of the year. Receivables from grantor agencies represent an excess of expenses over cash basis reimbursements at year end.

Receivables/Payables from Other Funds – During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. To the extent that certain transactions between funds had not been paid or received as of September 30, 2007, balances of interfund amounts receivable or payable have been recorded.

Property and Equipment – Property and equipment are valued at historical cost or estimated cost, if actual historical cost is not available. Donated assets are valued at their estimated fair value on the date of donation.

Property and equipment purchased are recorded as expenses in the fund purchasing the asset. The purchases are then capitalized in the plant fund accumulating the net investment in property and equipment. The Agency's capitalization threshold is \$500. Depreciation has been provided in the plant fund using the straight-line method over the estimated useful lives of the respective assets, generally 3 to 40 years. The depreciated cost of the property and equipment does not purport to be either a realizable value or a replacement value. Depreciation expense for the year ended September 30, 2007 was \$255,533.

Expenses for maintenance, repairs and minor replacements are charged to the current year, while the cost for major replacements and betterments are capitalized. The cost of assets disposed of is deleted. No interest costs were capitalized since there were no qualifying assets.

Deferred Revenue – Deferred revenue represents an excess of cash advances by the funding source over accrued expenses at year end.

**MID-SIOUX OPPORTUNITY, INC.  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2007**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)**

Compensated Absences – Employees of the Agency accumulate a limited amount of earned but unused vacation payable to employees. Amounts representing the cost of compensated absences are recorded as liabilities of the Administrative Fund. This liability has been computed based on rates of pay in effect at September 30, 2007.

**F. Contributions**

Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized until they become unconditional; that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All contributions of the agency are recorded as unrestricted net assets for the year ended September 30, 2007.

**G. In-Kind Contributions**

The Agency recognizes donated labor, services, materials and rent-free usage of facilities and equipment as in-kind revenues at the time the services and materials are received. These in-kind contributions and the corresponding expense are valued at their estimated fair market value and recognized in the financial statements in accordance with grant requirements. Following is a schedule of in-kind contributions by program for the year ended September 30, 2007:

	Early Head Start/ Head Start	Child Care Resource And Referral	CDC At-Risk	Total
Salaries	\$ 439,558	\$ 19,073	\$ 12,709	\$ 471,340
Fringe	47,464	-	-	47,464
Travel	55,724	-	2,706	58,430
Space	1,026	-	-	1,026
Supplies	20,237	-	815	21,052
Other Costs	-	275,483	-	275,483
	<u>\$ 564,009</u>	<u>\$ 294,556</u>	<u>\$ 16,230</u>	<u>\$ 874,795</u>

**H. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, gains, expenses, and losses during the reporting period. Actual results could differ from those estimates.

**MID-SIOUX OPPORTUNITY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)**

I. Cost Allocation

Mid-Sioux Opportunity, Inc. has an indirect cost plan in force whereby the salaries and fringe benefits of the executive director, bookkeepers, HR/fiscal director, development director, and receptionist/secretary are allocated to various programs based on a pre-approved rate (at September 30, 2007, this rate was 14.0 percent of total direct salaries and fringe benefits).

J. Financial Instruments

Financial instruments which potentially subject the Agency to concentration of credit risk consist of cash and cash equivalents. The Agency places these financial instruments with high credit quality institutions. Effective September 19, 2007, the Agency's cash and cash equivalents up to \$400,000 in excess of federally insured limits at Farmers Savings Bank are covered under a bank deposit guaranty bond. Effective October 31, 2003, the Agency's cash and cash equivalents up to \$500,000 in excess of federally insured limits at American Bank, N.A. are covered under a bank deposit guaranty bond. At September 30, 2007, all deposits were covered by federal insurance or a deposit guaranty bond.

K. Advertising Costs

Advertising costs are expensed as incurred. Total advertising costs were \$5,073.

L. Fund-Raising Expense

Total fund-raising expense for the year ended September 30, 2007, was \$17,451.

M. Concentration of Grants

Approximately 29% of the Agency's funding is provided from grants from the U.S. Department of Health and Human Services, approximately 24% is provided from grants from the Iowa Department of Human Rights, and approximately 18% is provided from grants from the Iowa Department of Human Services.

N. Total Column

The total column on the combined statement of financial position and the statement of activities is presented to facilitate financial analysis. Data in these columns does not present financial position or results of operations in conformity with U.S. generally accepted accounting principles. Neither is such data comparable to a consolidation.

**NOTE 2 – GRANTS RECEIVABLE**

Mid-Sioux Opportunity, Inc. submits claims for expenses to many of their granting agencies after the month in which they were incurred. Therefore, receivables exist at September 30, 2007 for some programs which are summarized as follows:

Women, Infants and Children	\$ 60,846
Maternal Child Health	19,142
Access to Baby and Child	252
Home Providers	29,911
Child Care Resource and Referral	161,652
Benefits for Beginners	7,532
I-Smiles	8,073
SHIP	9,309

**MID-SIOUX OPPORTUNITY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007**

**NOTE 2 – GRANTS RECEIVABLE (CONTINUED)**

Buena Vista, Sac and Crawford Empowerment	7,344
Head Start	96,277
Wrap-Around Grants	23,769
Siouxland Foundation	5,300
FADSS	38,534
Home Energy Assistance Program	38,289
Weatherization for Low-Income Person DOE	14,424
Senior Living	2,341
Utility Weatherization Programs	10,361
	\$ 533,356

**NOTE 3 – NOTES RECEIVABLE FROM RELATED PARTIES**

Promissory notes receivable (from related parties) as of September 30, 2007, are comprised of:

A \$420,000 promissory note receivable dated July 1, 1998, from Northwood Court, L.P., Spencer, Iowa, calling for annual payments of \$4,200 commencing October 31, 2000, representing interest only at the per annum rate of 1 percent. No principal payments are required until October 31, 2019, when the entire principal balance and any unpaid interest become due and payable. The note is secured by a mortgage on certain residential real estate located in Sioux Center, Iowa. The rights of Mid-Sioux Opportunity, Inc. under this mortgage have been assigned to the Iowa Department of Economic Development as collateral for a promissory note payable in the same amount.

\$ 420,000

A \$260,000 promissory note receivable, dated May 12, 1998, from Maplecrest Apartments, L.P., Spencer, Iowa, calling for annual payments of \$2,600 commencing May 31, 2001, representing interest-only at the per annum rate of 1 percent. No principal payments are required until May 31, 2020, when the entire principal and any unpaid interest become due and payable. The note is secured by a mortgage on certain residential real estate located in Hawarden, Iowa. The rights of Mid-Sioux Opportunity, Inc. under this mortgage have been assigned to the Iowa Department of Economic Development as collateral for a promissory note payable in the same amount.

260,000

A \$50,000 promissory note receivable, dated June 1, 1998, from Northwood Court, L.P., Spencer, Iowa, calling for annual payments of \$2,596 including interest at the per annum rate of 5 percent commencing January 1, 2000, through January 1, 2029. The note is secured by a mortgage on certain residential real estate located in Sioux Center, Iowa. Any payments received by Mid-Sioux Opportunity, Inc. under this mortgage must be returned to the Federal Home Loan Bank of Des Moines.

50,000

**MID-SIOUX OPPORTUNITY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007**

**NOTE 3 – NOTES RECEIVABLE FROM RELATED PARTIES CONTINUED**

A \$40,000 promissory note receivable, dated December 17, 1998, from Maplecreek Apartments, L.P., Spencer, Iowa, calling for annual payments of \$2,602 including interest at the per annum rate of 5 percent commencing January 1, 2000, through January 1, 2029. The note is secured by a mortgage on certain residential real estate located in Hawarden, Iowa. Any amounts received by Mid-Sioux Opportunity, Inc. under this mortgage must be returned to the Federal Home Loan Bank of Des Moines.

40,000
<u>\$770,000</u>

Payments on these notes receivable are contingent upon the maker having sufficient cash flow. If cash flow is insufficient to pay the annual payment, the unpaid amount accrues. Any subsequent surplus cash flow must be used to make up any prior deficiencies.

**NOTE 4 – PROPERTY AND EQUIPMENT**

Property and equipment is recorded at cost, estimated historical cost, or estimated current value at date of donation and consists of the following:

	Balance October 1, 2006	Additions	Deletions	Balance September 30, 2007
Assets Not Being Depreciated:				
Land	\$ 1,910			\$ 1,910
Total Assets Not Being Depreciated	<u>1,910</u>			<u>1,910</u>
Assets Being Depreciated:				
Land Improvements	27,961			27,961
Buildings	649,904			649,904
Leasehold Improvements	79,785		\$ 38,318	41,467
Equipment	728,321	\$ 49,661	75,973	702,009
Vehicles	787,298	51,499	58,440	780,357
Total Assets Being Depreciated	<u>2,273,269</u>	<u>101,160</u>	<u>172,731</u>	<u>2,201,698</u>
Less: Accumulated Depreciation	1,285,531	255,533	149,139	1,391,925
Total Assets Being Depreciated, Net	<u>987,738</u>	<u>(154,373)</u>	<u>23,592</u>	<u>809,773</u>
Total Assets, Net	<u>\$ 989,648</u>	<u>\$ (154,373)</u>	<u>\$ 23,592</u>	<u>\$ 811,683</u>

**NOTE 5 – NOTES PAYABLE**

Notes payable are composed of the following:

A fifteen year \$130,000 real estate mortgage, dated March 3, 1995, payable to Frontier Bank, Rock Rapids, Iowa, was refinanced on July 26, 2002. The mortgage is due in monthly installments of \$1,125 including interest at 6.375 percent. The note is secured by the building purchased.

\$29,952

**MID-SIOUX OPPORTUNITY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007**

**NOTE 5 – NOTES PAYABLE (CONTINUED)**

A fifteen year \$180,000 real estate mortgage, dated July 15, 1996, payable to American Bank, Remsen, Iowa, was refinanced on August 26, 2002. The mortgage is due in monthly installments of \$1,607 including interest at 6.50 percent. The note is secured by the building purchased. 61,087

A \$420,000 note payable to the Iowa Department of Economic Development, Des Moines, Iowa, is due on October 31, 2019. Interest payments of \$4,200 are due annually at a rate of 1 percent beginning on October 31, 2000. The note is secured by assignment of rights under a real estate executed in favor of Mid-Sioux Opportunity, Inc. by Northwood Court, L.P. 420,000

A \$260,000 note payable to the Iowa Department of Economic Development, Des Moines, Iowa, is due on May 31, 2020. Interest payments of \$2,600 are due annually at a rate of 1 percent beginning on May 31, 2001. The note is secured by assignment of rights under a real estate mortgage executed in favor of Mid-Sioux Opportunity, Inc. by Maplecrest Apartments, L.P. 260,000  
\$771,039

The principal amount of long-term debt matures as follows:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2008	\$ 27,646
2009	29,481
2010	23,383
2011	10,529
2012	-
Thereafter	680,000
	<u>\$ 771,039</u>

The notes payable to the Iowa Department of Economic Development become immediately due and payable in full where an uncured violation of covenants contained in the underlying funding agreements occurs. Included in these covenants is the requirement that the related housing projects continue to provide the requisite level of rental units to qualifying low-income tenants. As of September 30, 2007, there were no uncured violations of the covenants.

Interest expense for the year ended September 30, 2007 was \$18,124.

**NOTE 6 – DUE TO FEDERAL HOME LOAN**

Due to Federal Home Loan Bank consists of subsidies received from the Federal Home Loan Bank of Des Moines, Iowa (FHLB) under the Affordable Housing Program, then loaned to real estate partnerships as follows:

Northwood Court, L.P.	\$50,000
Maplecrest Apartments, L.P.	40,000
	<u>\$90,000</u>

**MID-SIOUX OPPORTUNITY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007**

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**NOTE 6 – DUE TO FEDERAL HOME LOAN (CONTINUED)**

The agreements stipulate that any repayments received from the partnerships must be returned to Federal Home Loan Bank.

**NOTE 7 – OPERATING LEASES**

Mid-Sioux Opportunity, Inc. leases buildings and equipment for offices and operations. The leases are operating leases with lease periods up to 10 years. Rental expense for the year ended September 30, 2007 was \$47,352. The following is a summary of the required minimum lease payments under noncancellable operating leases as of September 30, 2007:

<u>Year Ended</u> <u>September 30</u>	<u>Amount</u>
2008	\$ 55,435
2009	48,028
2010	29,718
2011	16,031
2012	16,031
Thereafter	16,031
	<u>\$ 181,274</u>

**NOTE 8 – PENSION AND RETIREMENT BENEFITS**

Plan members were required to contribute 3.70 percent of their annual salary and the Agency was required to contribute 5.75 percent of annual payroll until July 1, 2007, when the rates increased to 3.9 percent for the plan members and 6.05 percent for the Agency. Contribution requirements are established by state statute. The Agency's contribution to IPERS for the year ended September 30, 2007 was \$136,824, equal to the required contribution for the year.

**NOTE 9 – RELATED PARTY TRANSACTIONS**

Northwood Court, L.P.

Mid-Sioux Opportunity, Inc. and Community Housing Initiative, Inc. (CHI) a non-profit organization of Spencer, Iowa are the general partners of Northwood Court, L.P., a limited partnership whose primary activity is construction, operation and management of an affordable housing project located in Sioux Center, Iowa. Each general partner owns a .005 percent interest in the capital, profits and losses of the limited partnership while limited partners own the remaining 99.99 percent.

In conjunction with their role as general partner, Mid-Sioux Opportunity, Inc. shares responsibility with CHI for developing the project, providing administrative services, and providing funds to the partnership in the event of operating cash deficits.

Mid-Sioux Opportunity, Inc. serves as primary obligor on a note payable to Iowa Department of Economic Development in the amount of \$420,000 and received an Affordable Housing Program subsidy from the Federal Home Loan Bank of Des Moines in the amount of \$50,000. These proceeds were used to finance the construction of the project in exchange for notes receivable from Northwood Court, L.P. secured by a mortgage on the project's real estate.

Mid-Sioux's investment in Northwood Court is recorded at the lower of cost or market. Mid-Sioux was not required to contribute capital to the partnership through September 30, 2007. The partnership has provided the following unaudited financial information as of September 30, 2007:

**MID-SIOUX OPPORTUNITY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2007**

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**NOTE 9 – RELATED PARTY TRANSACTIONS (CONTINUED)**

Total assets	\$ 1,172,760
Total liabilities	836,273
Total partners' capital	336,487
Nine months' net income (loss)	(27,175)

Maplecrest Apartments, L.P.

Mid-Sioux Opportunity, Inc. and Community Housing Initiatives, Inc. (CHI) a non-profit organization of Spencer, Iowa are the general partners of Maplecrest Apartments, L.P., a limited partnership whose primary activity is construction, operation and management of an affordable housing project located in Hawarden, Iowa. Each general partner owns a .005 percent interest in the capital, profits and losses of the limited partnership while limited partners own the remaining 99.99 percent.

In conjunction with their role as general partner, Mid-Sioux Opportunity, Inc. shares responsibility with CHI for developing the project, providing administrative services, and providing funds to the partnership in the event of operating cash deficits.

Mid-Sioux Opportunity, Inc. serves as primary obligor on a note payable to Iowa Department of Economic Development in the Amount of \$260,000 and received an Affordable Housing Program subsidy from the Federal Home Loan Bank of Des Moines in the amount of \$40,000. These proceeds were used to finance the construction of the project in exchange for notes receivable from Maplecrest Apartments, L.P. secured by a mortgage on the project's real estate.

Mid-Sioux's investment in Maplecrest Apartments, L.P. is recorded at the lower cost or market. Mid-Sioux was not required to contribute capital to the partnership through September 30, 2007. The partnership has provided the following unaudited financial information as September 30, 2007.

Total assets	\$ 928,163
Total liabilities	643,184
Total partners' capital	284,979
Nine months' net income (loss)	(17,225)

**NOTE 10 – RISK MANAGEMENT**

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The Agency assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

**MID-SIOUX OPPORTUNITY, INC.  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2007**

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**NOTE 11 – CONTINGENCIES**

As a general partner in the Northwood Court, L.P. and Maplecrest Apartments, L.P. limited partnerships, Mid-Sioux Opportunity, Inc. can be held jointly and severally liable, along with other general partners, for claims for creditors, recourse indebtedness, and litigation involving the partnerships.

In addition, the general partners have agreed to advance funds to the partnerships as needed to eliminate operating cash deficits. No advances are outstanding as of September 30, 2007.

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MID-SIOUX OPPORTUNITY, INC.  
Schedule of Expenditures of Federal Awards  
For the Year Ended September 30, 2007

<u>Grantor/Program</u>	<u>CFDA #</u>	<u>Agency or Pass Through Number</u>	<u>Program Expenditures</u>
Direct Sources:			
U.S. Department of Health and Human Services			
Head Start	93.600	07CH6102/40	\$ 1,005,028
Head Start	93.600	07CH6102/41	1,153,752
			<u>2,158,780</u>
Indirect Sources:			
Department of Agriculture:			
Iowa Department of Public Health:			
Special Supplemental Nutrition Program for Women, Infants & Children	10.557	5887A039	294,426
Iowa Department of Agriculture:			
Iowa Farmers Market Nutrition Program	10.557		399
			<u>294,825</u>
Department of Education:			
Child and Adult Care Food Program	10.558	75-8012	355,600
Child and Adult Care Food Program	10.558	75-8012	154,282
			<u>509,882</u>
Department of Health and Human Services:			
Iowa Department of Health:			
Maternal & Child Health Services Grant to the States	93.994	5887MH18	92,862
Maternal & Child Health Services Grant to the States	93.994	5887DH05	12,000
			<u>104,862</u>
Iowa Department of Human Services:			
Child Care & Development Block Grant	93.575	ACFS-02-0040	790,822
Child Care & Development Block Grant	93.575	ACFS-02-0041	175,116
Child Care & Development Block Grant	93.575	BDPS-CC-06116	17,874
Child Care & Development Block Grant	93.575	BDPS-CC-06117	95,594
Child Care & Development Block Grant	93.575	BDPS-CC-06118	48,000
Child Care & Development Block Grant	93.575	BDPS-CC-06119	12,240
Child Care & Development Block Grant	93.575	BDPS-CC-06120	10,895
Child Care & Development Block Grant	93.575	BDPS-CC-06121	12,000
Child Care & Development Block Grant	93.575	BDPS-CC-06122	29,947
Child Care & Development Block Grant	93.575	BDPS-CC-06123	35,611
Child Care & Development Block Grant	93.575	BDPS-CC-06124	30,233
Iowa Department of Human Rights:			
Ia County Empowerment:			
Temporary Assistance for Needy Families	93.575	6/30/2007	12,010
Buena Vista, Sac & Crawford County Empowerment:			
Temporary Assistance for Needy Families	93.575	6/30/2007	63,148
Iowa Department of Human Rights:			
Northwest Iowa Community Empowerment Board:			
Temporary Assistance for Needy Families	93.575	NICE-EC07-BFB	115,420
			<u>\$ 1,448,910</u>

See Accompanying Independent Auditors' Report

MID-SIOUX OPPORTUNITY, INC.  
Schedule of Expenditures of Federal Awards  
For the Year Ended September 30, 2007

<u>Grantor/Program</u>	<u>CFDA #</u>	<u>Agency or Pass Through Number</u>	<u>Program Expenditures</u>
(Continued)			
Iowa Department of Human Rights:			
Siouxland Human Investment Partnership:			
Temporary Assistance for Needy Families	93.558		\$ 62,478
Temporary Assistance for Needy Families	93.558	FADSS-06-06-FG	68,964
			<u>131,442</u>
Low Income Home Energy Assistance	93.568	LIHEAP-07-06G	909,277
Low Income Home Energy Assistance	93.568	HEAP-06-06G	94,295
Low Income Home Energy Assistance	93.568	HEAP-07-06G	121,810
			<u>1,125,382</u>
Community Service Block Grant	93.569	CSBG-07-06-CG	161,422
Department of Energy:			
Iowa Department of Human Rights			
Weatherization Assistance	81.042	DOE-06-06G	107,212
Weatherization Assistance	81.042	DOE-07-06G	79,886
			<u>187,098</u>
Department of Homeland Security:			
Passed through various local boards:			
Emergency Food and Shelter National Board Program	97.024	FEMA	17,479
Total Indirect Awards Expended			<u>3,981,302</u>
Total Federal Awards Expended			<u>\$ 6,140,082</u>

MID-SIOUX OPPORTUNITY, INC  
Schedule of Activities  
Family Preservation and Strengthening Programs  
For the Year Ended September 30, 2007

	Women, Infants and Children	Maternal Child Health	Access to Baby and Child	Home Providers
Revenue				
Governmental Funding Sources:				
Iowa Department of Human Rights				\$ 355,600
Iowa Department of Education				
Iowa Department of Human Services				
Iowa Department of Public Health	\$ 292,831	\$ 120,046	\$ 1,117	
Iowa Department of Agriculture and Land Stewardship				
In-Kind Contributions				
Empowerment Funds				
Public Support and Donations				
Interest Income	62			
Other Income	10,126	97,667		
Total Revenue	<u>303,019</u>	<u>217,713</u>	<u>1,117</u>	<u>355,600</u>
Expenses				
Salaries and Wages	131,803	109,715		31,502
Fringe Benefits	42,075	37,167		10,290
Professional and Contract Service Fees	36,159	26,122		1,571
Travel	6,037	3,793		3,139
Space Costs	8,462	6,660		2,048
Supplies	23,280	14,356	1,117	3,484
Equipment Purchase/Lease				
Insurance	2,465	2,134		
Telephone	6,909	1,700		1,130
Printing and Postage	6,838	4,591		2,015
Utilities				
Assistance to Individuals				290,053
Outreach Services				
Other Costs	16,243	1,170		4,518
In-Kind Expenses				
Total Expenses Before Allocation of Indirect Costs	<u>280,271</u>	<u>207,408</u>	<u>1,117</u>	<u>349,750</u>
Allocation of Indirect Costs	<u>24,343</u>	<u>19,773</u>		<u>5,850</u>
Total Expenses	<u>304,614</u>	<u>227,181</u>	<u>1,117</u>	<u>355,600</u>
Transfer (To) From Other Funds				
Change in Net Assets	(1,595)	(9,468)	-	-
Net Assets - Beginning of Year	<u>6,896</u>	<u>53,400</u>	<u>-</u>	<u>-</u>
Net Assets - End of Year	<u>\$ 5,301</u>	<u>\$ 43,932</u>	<u>\$ -</u>	<u>\$ -</u>

School Based Dental Sealant	Child Care Resource and Referral		Benefits for Beginners		Early Childhood		I-Smile
	06-30-07	06-30-08	06-30-07	06-30-08	06-30-07	06-30-08	
	\$ 904,125	\$ 157,216					\$ 44,948
\$ 12,000	298,468	16,888	\$ 93,813	\$ 22,336	\$ 9,321	\$ 2,278	
					25	-	5,135
<u>7,355</u>	<u>3,410</u>	<u>950</u>					<u>5,135</u>
<u>19,355</u>	<u>1,206,003</u>	<u>175,054</u>	<u>93,813</u>	<u>22,336</u>	<u>9,346</u>	<u>2,278</u>	<u>50,083</u>
	182,903	70,148	25,115	7,831			22,561
	60,991	24,126	10,156	3,434			8,392
8,598	309,747	61,816					1,054
747	33,153	8,346	4,655	1,789			1,002
	16,117	7,020	835	279			919
3,586	15,137	3,766	234	39			5,469
	4,149	1,516					
	1,978	171					
	7,863	2,695	509	168			263
726	15,895	8,042	958	467			955
	205,474	-	60,386	6,161			
	15,339	1,827	(16,754)	2,645	6,573	5,198	
	298,468	16,888					
<u>13,657</u>	<u>1,167,214</u>	<u>206,361</u>	<u>86,094</u>	<u>22,813</u>	<u>6,573</u>	<u>5,198</u>	<u>40,615</u>
	34,145	13,198	4,937	1,576			4,333
<u>13,657</u>	<u>1,201,359</u>	<u>219,559</u>	<u>91,031</u>	<u>24,389</u>	<u>6,573</u>	<u>5,198</u>	<u>44,948</u>
					(239)	-	
5,698	4,644	(44,505)	2,782	(2,053)	2,534	(2,920)	5,135
<u>12,497</u>	<u>4,840</u>	<u>9,484</u>	<u>(2,782)</u>	<u>-</u>	<u>(2,498)</u>	<u>36</u>	<u>-</u>
<u>\$ 18,195</u>	<u>\$ 9,484</u>	<u>\$ (35,021)</u>	<u>\$ -</u>	<u>\$ (2,053)</u>	<u>\$ 36</u>	<u>\$ (2,884)</u>	<u>\$ 5,135</u>

MID-SIOUX OPPORTUNITY, INC  
Schedule of Activities  
Family Preservation and Strengthening Programs  
For the Year Ended September 30, 2007

(CONTINUED)	SHIP In-Home Child Care Support		SHIP Scholarship		SHIP Child Care Nurse Consultant	BV, Sac Crawford Empowerment
	06-30-07	06-30-08	06-30-07	06-30-08	06-30-08	06-30-08
<b>Revenue</b>						
Governmental Funding Sources:						
Iowa Department of Human Rights						
Iowa Department of Education						
Iowa Department of Human Services						
Iowa Department of Public Health						
Iowa Department of Agriculture and Land Stewardship						
In-Kind Contributions						
Empowerment Funds	\$ 41,121	\$ 1,089	\$ 55,784	\$ 9,353	\$ 8,216	\$ 9,035
Public Support and Donations						
Interest Income						
Other Income						
Total Revenue	<u>41,121</u>	<u>1,089</u>	<u>55,784</u>	<u>9,353</u>	<u>8,216</u>	<u>9,035</u>
<b>Expenses</b>						
Salaries and Wages	2,139		2,575	1,295	5,632	5,728
Fringe Benefits	772		549	281	1,248	1,464
Professional and Contract Service Fees	14,753					
Travel					888	804
Space Costs					359	
Supplies	262				19	304
Equipment Purchase/Lease						
Insurance						
Telephone	610				182	387
Printing and Postage	286				923	276
Utilities						
Assistance to Individuals	26,292	1,089	50,000	9,226		54
Outreach Services						
Other Costs	(7,182)				182	
In-Kind Expenses						
Total expenses before allocation of indirect costs	<u>37,932</u>	<u>1,089</u>	<u>53,124</u>	<u>10,802</u>	<u>9,433</u>	<u>9,017</u>
Allocation of indirect costs	<u>2,039</u>			<u>221</u>	<u>963</u>	<u>1,007</u>
Total expenses	<u>39,971</u>	<u>1,089</u>	<u>53,124</u>	<u>11,023</u>	<u>10,396</u>	<u>10,024</u>
Transfer (To) From Other Funds						
Change in Net Assets	1,150	-	2,660	(1,670)	(2,180)	(989)
Net Assets - Beginning of Year	<u>(1,150)</u>	<u>-</u>	<u>(2,660)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Assets - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,670)</u>	<u>\$ (2,180)</u>	<u>\$ (989)</u>

School Ready		Iowa Farmers Market		Siouxland Community Health	Community Services Block Grant	Local Funds
06-30-07	06-30-08	12-31-06	12-31-07			
					\$ 161,422	
		\$ 244	\$ 326			
\$ 170,323	\$ -			\$ 59,939		\$ 76,759
1,540	338					
100	-					
<u>171,963</u>	<u>338</u>	<u>244</u>	<u>326</u>	<u>59,939</u>	<u>161,422</u>	<u>76,759</u>
15,847	3,085	244	248	18,514		5,765
6,140	754	-	78	3,958		1,922
45,564	1,736					4,898
2,786	420			1,729		238
3,045	2,079			1,103		3,573
2,231	158			2,496		2,015
47	4					173
1,192	342			318		61
2,298	128			581		949
						581
46,423	2,389			27,356		8,620
(4,579)	291			738	143,970	52,294
						1,563
<u>120,994</u>	<u>11,386</u>	<u>244</u>	<u>326</u>	<u>56,793</u>	<u>143,970</u>	<u>82,652</u>
1,678	-			3,146	17,452	1,075
<u>122,672</u>	<u>11,386</u>	<u>244</u>	<u>326</u>	<u>59,939</u>	<u>161,422</u>	<u>83,727</u>
						(33,576)
49,291	(11,048)	-	-	-	-	(40,544)
(116)	49,175	-	-	-	-	129,067
<u>\$ 49,175</u>	<u>\$ 38,127</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,523</u>

MID-SIOUX OPPORTUNITY, INC.  
Schedule of Activities  
Educational Services for the Disadvantaged Programs  
For the Year Ended September 30, 2007

	U.S. Department of Health and Human Services Head Start		Teddy Bear Den	
	02-28-07	02-28-08	06-30-07	06-30-08
<b>Revenue</b>				
Governmental Funding Sources:				
U.S. Dept of Health and Human Services	\$ 1,004,916	\$ 1,156,830		
Iowa Department of Education				
Iowa Department of Human Services				
In-Kind Contributions	356,314	207,695		
Empowerment Funds				
Public Support and Donations	3,993	1,280	\$ 1,230	\$ 7,375
Interest Income				
Other Income	7,081	2,961		
Total Revenue	<u>1,372,304</u>	<u>1,368,766</u>	<u>1,230</u>	<u>7,375</u>
<b>Expenses</b>				
Salaries and Wages	485,889	578,772		
Fringe Benefits	193,275	230,998		
Professional and Contract Service Fees	64,609	42,905		
Travel	6,098	10,054		
Space Costs	44,373	68,871		
Supplies	27,834	24,024	1,307	1,017
Equipment Purchase/Lease	34,470	-		
Insurance	22,563	15,595		
Telephone	9,705	14,577		
Printing and Postage	(2,413)	15,071		
Utilities	(1,223)	4,828		
Assistance to Individuals	1,986	5,665		
Other Costs	33,852	33,267		
In-Kind Expenses	356,314	207,695		
Total Expenses Before Allocation of Indirect Costs	<u>1,277,332</u>	<u>1,252,322</u>	<u>1,307</u>	<u>1,017</u>
Allocation of Indirect Costs	<u>95,084</u>	<u>113,368</u>		
Total Expenses	<u>1,372,416</u>	<u>1,365,690</u>	<u>1,307</u>	<u>1,017</u>
Transfer (To) From Other Funds				
Change in Net Assets	(112)	3,076	(77)	6,358
Net Assets - Beginning of Year	<u>12,690</u>	<u>12,578</u>	<u>85</u>	<u>8</u>
Net Assets - End of Year	<u>\$ 12,578</u>	<u>\$ 15,654</u>	<u>\$ 8</u>	<u>\$ 6,366</u>

See Accompanying Independent Auditors' Report  
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MID-SIOUX OPPORTUNITY, INC.  
Schedule of Activities  
Educational Services for the Disadvantaged Programs  
For the Year Ended September 30, 2007

	Hawarden Wrap-Around Grants		Cherokee Wrap-Around Grants		Ida Grove Wrap-Around Grants	
	08-31-07	08-31-08	08-31-07	08-31-08	08-31-07	08-31-08
(CONTINUED)						
Revenue						
Governmental Funding Sources:						
U.S. Dept of Health and Human Services						
Iowa Department of Education						
Iowa Department of Human Services	\$ 27,355	\$ 2,591	\$ 44,293	\$ 3,706	\$ 27,602	\$ 2,632
In-Kind Contributions						
Empowerment Funds						
Public Support and Donations						
Interest Income						
Other Income						
Total Revenue	<u>27,355</u>	<u>2,591</u>	<u>44,293</u>	<u>3,706</u>	<u>27,602</u>	<u>2,632</u>
Expenses						
Salaries and Wages	5,183	607	7,828	649	5,993	706
Fringe Benefits	1,734	113	3,820	123	2,136	140
Professional and Contract Service Fees	19,470	1,770	28,600	2,600	18,333	1,667
Travel			2,000	-		
Space Costs						
Supplies			414	226		
Equipment Purchase/Lease						
Insurance						
Telephone						
Printing and Postage						
Utilities						
Assistance to Individuals						
Other Costs						
In-Kind Expenses						
Total Expenses Before Allocation of Indirect Costs	<u>26,387</u>	<u>2,490</u>	<u>42,662</u>	<u>3,598</u>	<u>26,462</u>	<u>2,513</u>
Allocation of Indirect Costs	<u>968</u>	<u>101</u>	<u>1,631</u>	<u>108</u>	<u>1,140</u>	<u>119</u>
Total Expenses	<u>27,355</u>	<u>2,591</u>	<u>44,293</u>	<u>3,706</u>	<u>27,602</u>	<u>2,632</u>
Transfer (To) From Other Funds						
Change in Net Assets	-	-	-	-	-	-
Net Assets - Beginning of Year	-	-	-	-	-	-
Net Assets - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Orange City Wrap-Around Grants		LeMars Wrap-Around Grants				Rock Rapids Wrap-Around Grants		Rock Valley Wrap-Around Grants	
08-31-07	08-31-08	08-31-07	08-31-08	08-31-07	08-31-08	08-31-07	08-31-08	08-31-07	08-31-08

\$ 11,167	\$ 833	\$ 43,788	\$ 3,948	\$ 43,987	\$ 3,872	\$ 11,167	\$ 1,073	\$ 16,406	\$ 1,466
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<u>11,167</u>	<u>833</u>	<u>43,788</u>	<u>3,948</u>	<u>43,987</u>	<u>3,872</u>	<u>11,167</u>	<u>1,073</u>	<u>16,406</u>	<u>1,466</u>
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600	-	6,585	701	6,924	638	1,196	184	2,241	144
400	-	2,878	131	2,714	127	558	26	91	46
9,167	833	33,000	3,000	33,000	3,000	9,167	834	13,750	1,250

1,000	-								
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<u>11,167</u>	<u>833</u>	<u>42,463</u>	<u>3,832</u>	<u>42,638</u>	<u>3,765</u>	<u>10,921</u>	<u>1,044</u>	<u>16,082</u>	<u>1,440</u>
	-	1,325	116	1,349	107	246	29	324	26
<u>11,167</u>	<u>833</u>	<u>43,788</u>	<u>3,948</u>	<u>43,987</u>	<u>3,872</u>	<u>11,167</u>	<u>1,073</u>	<u>16,406</u>	<u>1,466</u>
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MID-SIOUX OPPORTUNITY, INC.  
Schedule of Activities  
Educational Services for the Disadvantaged Programs  
For the Year Ended September 30, 2007

(CONTINUED)	LeMars Early Head Start Wrap-Around Grants		Siouxland Foundation	
	08-31-07	08-31-08	12-31-07	12-31-08
<b>Revenue</b>				
Governmental Funding Sources:				
U.S. Dept of Health and Human Services				
Iowa Department of Education				
Iowa Department of Human Services	\$ 10,145	\$ 750		
In-Kind Contributions				
Empowerment Funds				
Public Support and Donations				
Interest Income			\$ 1,281	\$ 5,300
Other Income				
Total Revenue	<u>10,145</u>	<u>750</u>	<u>1,281</u>	<u>5,300</u>
<b>Expenses</b>				
Salaries and Wages	2,000	-		
Fringe Benefits	320	-		
Professional and Contract Service Fees	7,500	750		
Travel				
Space Costs				
Supplies			\$ 167	5,215
Equipment Purchase/Lease				
Insurance				
Telephone				
Printing and Postage				
Utilities				
Assistance to Individuals				
Other Costs				
In-Kind Expenses				
Total Expenses Before Allocation of Indirect Costs	<u>9,820</u>	<u>750</u>	<u>167</u>	<u>5,215</u>
Allocation of Indirect Costs	<u>325</u>	<u>-</u>		
Total Expenses	<u>10,145</u>	<u>750</u>	<u>167</u>	<u>5,215</u>
Transfer (To) From Other Funds				
Change in Net Assets	-	-	1,114	85
Net Assets - Beginning of Year	<u>-</u>	<u>-</u>	<u>(1,114)</u>	<u>-</u>
Net Assets - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 85</u>

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MID-SIOUX OPPORTUNITY, INC.  
Schedule of Activities  
Crisis Intervention and Prevention Programs  
For the Year Ended September 30, 2007

	FADSS		FEMA	LIHEAP
	06-30-07	06-30-08		
Revenue				
Governmental Funding Sources:				
Iowa Department of Human Rights	\$ 102,163	\$ 38,534		\$ 909,277
Iowa Department of Economic Development				
FEMA			\$ 17,479	
Public Support and Donations	(500)			
Interest Income				
Other Income				
Total Revenue	<u>101,663</u>	<u>38,534</u>	<u>17,479</u>	<u>909,277</u>
Expenses				
Salaries and Wages	48,453	16,401	350	49,925
Fringe Benefits	18,167	6,683		13,934
Professional and Contract Service Fees				448
Travel	10,452	2,859		4,104
Space Costs	5,382	1,671		9,059
Supplies	9,353	332		2,240
Equipment Purchase/Lease				-
Interest				
Insurance	579	50		157
Telephone	2,890	920		3,892
Printing and Postage	355	112		3,290
Utilities				
Assistance to Individuals			17,129	813,288
Other Costs	(667)	213		
Total Expenses Before Allocation of Indirect Costs	<u>94,964</u>	<u>29,241</u>	<u>17,479</u>	<u>900,337</u>
Allocation of Indirect Costs	<u>9,326</u>	<u>3,231</u>		<u>8,940</u>
Total Expenses	<u>104,290</u>	<u>32,472</u>	<u>17,479</u>	<u>909,277</u>
Transfer (to) from Other Funds				
Change in Net Assets	(2,627)	6,062	-	-
Net Assets - Beginning of Year	<u>2,627</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Assets - End of Year	<u>\$ -</u>	<u>\$ 6,062</u>	<u>\$ -</u>	<u>\$ -</u>

Home Energy Assistance Weatherization Program		Utility Fund	Homeless Shelter Opportunity Grant		Housing
03-31-07	03-31-08		06-30-07	06-30-08	
\$ 92,779	\$ 164,988			\$ 20,000	
		\$ 20,832			\$ 11,300
<u>92,779</u>	<u>164,988</u>	<u>20,832</u>	<u>-</u>	<u>20,000</u>	<u>11,300</u>
927	35,191				
370	9,295				
12,854	34,005				
6,650	370				
1,140	129				
42	290				
9,532	660				11,300
567	10,750				
233	222				
		33,542	\$ 16,000	351	
<u>61,798</u>	<u>24,670</u>	<u>33,542</u>	<u>16,000</u>	<u>351</u>	<u>11,300</u>
<u>94,113</u>	<u>115,582</u>	<u>33,542</u>	<u>16,000</u>	<u>351</u>	<u>11,300</u>
<u>182</u>	<u>6,228</u>				
<u>94,295</u>	<u>121,810</u>	<u>33,542</u>	<u>16,000</u>	<u>351</u>	<u>11,300</u>
					-
(1,516)	43,178	(12,710)	(16,000)	19,649	-
<u>1,516</u>	<u>-</u>	<u>23,152</u>	<u>16,000</u>	<u>-</u>	<u>865</u>
<u>\$ -</u>	<u>\$ 43,178</u>	<u>\$ 10,442</u>	<u>\$ -</u>	<u>\$ 19,649</u>	<u>\$ 865</u>

MID-SIOUX OPPORTUNITY, INC  
Schedule of Activities  
Crisis Intervention and Prevention Programs  
For the Year Ended September 30, 2007

(CONTINUED)	U.S. Department of Energy Weatherization for Low-Income Persons		Inventory Contract
	DOE	DOE	
	03-31-07	03-31-08	
Revenue			
Governmental Funding Sources:			
Iowa Department of Human Rights	\$ 107,514	\$ 79,332	
Iowa Department of Economic Development			
FEMA			
Public Support and Donations			
Interest Income			
Other Income			\$ 2,217
Total Revenue	<u>107,514</u>	<u>79,332</u>	<u>2,217</u>
Expenses			
Salaries and Wages	16,018	1,610	
Fringe Benefits	6,475	510	
Professional and Contract Service Fees	33,982	28,513	
Travel		1,226	
Space Costs	6,099	760	
Supplies	1,808	-	
Equipment Purchase/Lease			
Interest			
Insurance		644	
Telephone	540	-	
Printing and Postage	445	-	
Utilities			
Assistance to Individuals			
Other Costs	38,696	46,327	
Total Expenses Before Allocation of Indirect Costs	<u>104,063</u>	<u>79,590</u>	<u>-</u>
Allocation of Indirect Costs	<u>3,149</u>	<u>296</u>	
Total Expenses	<u>107,212</u>	<u>79,886</u>	<u>-</u>
Transfer (to) from Other Funds			
Change in Net Assets	302	(554)	2,217
Net Assets - Beginning of Year	<u>(302)</u>	<u>-</u>	<u>(16,259)</u>
Net Assets - End of Year	<u>\$ -</u>	<u>\$ (554)</u>	<u>\$ (14,042)</u>

Crisis Funds	Senior Living		Utility Weatherization Programs			
	06-30-07	06-30-08	MEC		IPL	
			12-31-06	12-31-07	12-31-06	12-31-07
			\$ -	\$ 61,894	\$ 27,001	\$ 26,685
\$ 58,940						
	\$ 2,000	\$ 2,341				
58,940	2,000	2,341	-	61,894	27,001	26,685
			-	2,939	1,414	1,653
			-	1,003	471	604
	2,000	2,210	-	25,149	10,204	10,759
			-	251		
			-	1,376		
			-	740	43	-
			-	371		
64,863		131	-	29,513	14,524	13,668
64,863	2,000	2,341	-	61,342	26,656	26,684
			-	552	250	317
64,863	2,000	2,341	-	61,894	26,906	27,001
2,000						
(3,923)	-	-	-	-	95	(316)
8,233	-	-	-	-	(95)	-
\$ 4,310	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (316)

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Public Health  
Women, Infants and Children (5887A039)  
Schedule of Grant/Contract Activity  
For the Period From October 1, 2006 to September 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Public Health	\$ 292,831	
Interest Income	62	
Other Income	10,126	
Total Revenue	<u>303,019</u>	
Expenses		
Salaries and Wages	131,803	\$ 122,151
Fringe Benefits	42,076	43,640
Professional and Contract Service Fees	36,159	41,764
Travel	6,037	5,101
Space Costs	8,462	10,394
Supplies	23,280	23,718
Insurance	2,465	2,676
Telephone	6,909	7,200
Printing and Postage	6,838	8,100
Other Costs	4,459	4,379
Indirect Costs	24,343	23,708
	<u>292,831</u>	<u>292,831</u>
Breastfeeding Expense	10,126	4,673
Obesity Expense	1,657	1,948
Total Expenses	<u>304,614</u>	<u>\$ 299,452</u>
Change in Net Assets	(1,595)	
Net Assets - Beginning of Year	<u>6,896</u>	
Net Assets - End of Year	<u>\$ 5,301</u>	

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Public Health  
Maternal Child Health Block Grant (5887MH18)  
Schedule of Grant/Contract Activity  
For the Period From October 1, 2006 to September 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Public Health	\$ 120,046	
Other Income (Title XIX)	97,513	
Lead Screenings	154	
Total Revenues	<u>217,713</u>	
Expenses		
Salaries and Wages	54,039	\$ 55,493
Fringe Benefits	22,625	20,506
Professional and Contract Service Fees	16,024	17,524
Travel	2,108	2,471
Space Costs	2,817	4,602
Supplies	7,506	4,477
Insurance	964	1,248
Telephone	854	1,476
Printing and Postage	2,349	2,134
Other Costs	817	823
Indirect Costs	9,943	9,292
	<u>120,046</u>	<u>120,046</u>
Title XIX	107,135	103,851
Total expenses	<u>227,181</u>	<u>\$ 223,897</u>
Change in Net Assets	(9,468)	
Net Assets - Beginning of Year	<u>53,400</u>	
Net Assets - End of Year	<u>\$ 43,932</u>	

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Public Health  
Access to Baby and Child  
Schedule of Grant/Contract Activity  
For the Period From October 1, 2006 to September 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Public Health	\$ 1,117	
Total Revenue	<u>1,117</u>	
Expenses		
Travel	-	\$ 84
Supplies	1,117	1,033
Total Expenses	<u>1,117</u>	<u>\$ 1,117</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Education  
Child and Adult Care Food Program (75-8012)  
Schedule of Grant/Contract Activity  
For the Period From October 1, 2006 to September 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Education	\$ 355,600	
Total Revenue	<u>355,600</u>	
Expenses		
Salaries and Wages	31,502	\$ 39,689
Fringe Benefits	10,290	12,784
Professional and Contract Service Fees	1,571	3,096
Travel	3,139	12,321
Space Costs	2,048	2,691
Supplies	3,484	3,315
Telephone	1,130	1,267
Printing and Postage	2,015	4,055
Assistance to Individuals	290,053	291,000
Other Costs	4,517	5,594
Indirect Costs	5,851	6,748
Total Expenses	<u>355,600</u>	<u>\$ 382,560</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

See Accompanying Independent Auditors' Report

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Public Health  
School Based Dental Sealant  
Schedule of Grant/Contract Activity  
For the Period From October 1, 2006 to September 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Public Health	\$ 12,000	
Other Income	<u>7,355</u>	
Total Revenue	<u>19,355</u>	
Expenses		
Professional and Contract Service Fees	8,598	\$ 7,500
Travel	747	700
Supplies	3,586	4,757
Printing and Postage	<u>726</u>	<u>700</u>
Total Expenses	<u>13,657</u>	<u>\$ 13,657</u>
Change in Net Assets	5,698	
Net Assets - Begining of Year	<u>12,497</u>	
Net Assets - End of Year	<u>\$ 18,195</u>	

See Accompanying Independent Auditors' Report

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Services  
Child Care Resource and Referral  
Schedule of Grant/Contract Activity  
For the Period From July 1, 2006 to June 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Services	\$ 1,081,629	
In-Kind Contributions	305,285	
Other Income	4,812	
Total Revenue	<u>1,391,726</u>	
Expenses		
Grantor's Share:		
Salaries and Wages	244,239	\$ 244,964
Fringe Benefits	77,149	77,153
Professional and Contract Service Fees	370,581	378,931
Travel	51,009	50,923
Space Costs	23,526	24,253
Supplies	22,157	21,996
Equipment Purchase/Lease	6,093	6,094
Insurance	2,249	2,250
Telephone	11,403	11,775
Printing and Postage	23,001	23,005
Assistance to Individuals	205,474	205,466
Other Costs	23,953	24,785
Indirect Costs	44,452	46,481
Total Grantor's Share	<u>1,105,286</u>	<u>1,118,076</u>
Grantee's Share:		
Cash Match	21,300	
Salaries	25,390	
Contract Empowerment	258,595	221,341
	<u>305,285</u>	<u>221,341</u>
Total Expenses	<u>1,410,571</u>	<u>\$ 1,339,417</u>
Change in Net Assets	(18,845)	
Net Assets - Beginning of Year	<u>28,329</u>	
Net Assets - End of Year	<u>\$ 9,484</u>	

See Accompanying Independent Auditors' Report

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Services  
Welcome to School Age  
Schedule of Grant/Contract Activity  
For the Period From July 1, 2006 to June 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Services	\$ 4,168	
Total Revenue	<u>4,168</u>	
Expenses		
Other Costs	4,168	\$ 4,168
Total Expenses	<u>4,168</u>	<u>\$ 4,168</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

MID-SIOUX OPPORTUNITY, INC.  
Northwest Iowa Community Empowerment Funds  
Benefits for Beginners  
Schedule of Grant/Contract Activity  
For the Period From July 1, 2006 to June 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Northwest Iowa Community Empowerment Funds	\$ 130,897	
Total Revenue	<u>130,897</u>	
Expenses		
Salaries and Wages	32,970	\$ 32,982
Fringe Benefits	13,746	14,100
Travel	6,964	6,830
Space Costs	1,025	1,025
Supplies	533	540
Telephone	683	720
Printing and Postage	1,661	1,650
Assistance to Individuals	60,386	60,000
Other Costs	6,469	6,538
Indirect Costs	6,460	6,512
Total Expenses	<u>130,897</u>	<u>\$ 130,897</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

See Accompanying Independent Auditors' Report

MID-SIOUX OPPORTUNITY, INC.  
 Ida County Empowerment Funds  
 Early Childhood  
 Schedule of Grant/Contract Activity  
 For the Period From July 1, 2006 to June 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Ida County Empowerment Funds	\$ 9,321	
Investment Income	<u>36</u>	
Total Revenue	<u>9,357</u>	
Expenses		
Other Costs	11,700	\$ 11,700
Administrative Costs	<u>239</u>	<u>239</u>
Total Expenses	<u>11,939</u>	<u>\$ 11,939</u>
Change in Net Assets	(2,582)	
Net Assets - Begining of Year	<u>2,618</u>	
Net Assets - End of Year	<u>\$ 36</u>	

See Accompanying Independent Auditors' Report

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Public Health  
I-Smile  
Schedule of Grant/Contract Activity  
For the Period From October 1, 2006 to September 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Public Health	\$ 44,948	
Other Income	5,135	
Total Revenue	<u>50,083</u>	
Expenses		
Salaries and Wages	22,561	\$ 17,116
Fringe Benefits	8,392	13,345
Professional and Contract Service Fees	1,054	1,032
Travel	1,002	250
Space Costs	919	
Supplies	5,469	8,862
Telephone	263	25
Printing and Postage	955	53
Indirect Costs	4,333	4,265
Total Expenses	<u>44,948</u>	<u>\$ 44,948</u>
Change in Net Assets	5,135	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ 5,135</u>	

See Accompanying Independent Auditors' Report

MID-SIOUX OPPORTUNITY, INC.  
Woodbury County Empowerment Funds  
SHIP  
Schedule of Grant/Contract Activity  
For the Period From July 1, 2006 to June 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Woodbury County Empowerment Funds	\$ 50,000	
Total Revenue	<u>50,000</u>	
Expenses		
Salaries and Wages	3,326	\$ 3,300
Fringe Benefits	1,288	1,336
Professional and Contract Service Fees	14,753	14,684
Supplies	262	260
Telephone	1,003	1,024
Printing and Postage	397	397
Assistance to Individuals	26,293	26,325
Indirect Costs	2,678	2,674
Total Expenses	<u>50,000</u>	<u>\$ 50,000</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

MID-SIOUX OPPORTUNITY, INC.  
Woodbury County Empowerment Funds  
SHIP Scholarship  
Schedule of Grant/Contract Activity  
For the Period From July 1, 2006 to June 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Woodbury County Empowerment Funds	\$ 68,457	
Total Revenue	<u>68,457</u>	
Expenses		
Salaries and Wages	3,480	\$ 3,387
Fringe Benefits	743	726
Assistance to Individuals	64,234	67,040
Total Expenses	<u>68,457</u>	<u>\$ 71,153</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

MID-SIOUX OPPORTUNITY, INC.  
Ida County Empowerment Funds  
School Ready  
Schedule of Grant/Contract Activity  
For the Period From July 1, 2006 to June 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Ida County Empowerment Funds	\$ 170,323	
Interest Income	1,567	
Other Income	100	
Total Revenue	<u>171,990</u>	
Expenses		
Salaries and Wages	23,517	\$ 35,698
Fringe Benefits	9,409	16,849
Professional and Contract Service Fees	48,917	57,944
Travel	4,175	5,500
Space Costs	4,035	4,060
Supplies	2,489	3,300
Insurance	63	190
Telephone	1,538	3,204
Printing and Postage	2,504	2,500
Assistance to Individuals	46,537	61,445
Other Costs	2,168	2,169
Indirect Costs	1,678	1,678
Total Expenses	<u>147,030</u>	<u>\$ 194,537</u>
Change in Net Assets	24,960	
Net Assets - Beginning of Year	<u>24,215</u>	
Net Assets - End of Year	<u>\$ 49,175</u>	

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Agriculture  
Iowa Farmers Market Nutrition Program  
Schedule of Grant/Contract Activity  
For the Period From January 1, 2006 to December 31, 2006

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Agriculture	\$ 664	
Total Revenue	<u>664</u>	
Expenses		
Salaries and Wages	564	\$ 564
Fringe Benefits	100	100
Total Expenses	<u>664</u>	<u>\$ 664</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

See Accompanying Independent Auditors' Report

MID-SIOUX OPPORTUNITY, INC.  
Woodbury County Empowerment Funds  
Siouxland Community Health  
Schedule of Grant/Contract Activity  
For the Period From October 1, 2006 to September 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Woodbury County Empowerment Funds	\$ 59,939	
Total Revenue	<u>59,939</u>	
Expenses		
Salaries and Wages	18,514	\$ 18,560
Fringe Benefits	3,958	5,018
Travel	1,729	1,590
Space Costs	1,103	1,102
Supplies	2,496	2,298
Telephone	318	289
Printing and Postage	582	669
Assistance to Individuals	27,356	32,588
Other Costs	737	700
Indirect Costs	3,146	3,159
Total Expenses	<u>59,939</u>	<u>\$ 65,973</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Rights  
Community Service Block Grant (CSBG-07-06-CG)  
Schedule of Grant/Contract Activity  
For the Period From October 1, 2006 to September 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Rights	\$ 161,422	
Total Revenue	<u>161,422</u>	
Expenses		
Outreach Services	<u>161,422</u>	\$ 161,422
Total Expenses	<u>161,422</u>	<u>\$ 161,422</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

See Accompanying Independent Auditors' Report

MID-SIOUX OPPORTUNITY, INC.  
U.S. Department of Health and Human Services  
Head Start Program (07CH6102/40)  
Schedule of Grant/Contract Activity  
For the Period From March 1, 2006 to February 28, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
U.S. Department of Health and Human Services	\$ 2,090,526	
In-Kind Contributions	684,182	
Organization Contribution	5,158	
Other Income	8,698	
Total Revenue	<u>2,788,564</u>	
Expenses		
Grantor's Share:		
Salaries and Wages	1,026,011	\$ 1,017,337
Fringe Benefits	422,897	422,897
Professional and Contract Service Fees	104,167	104,168
Travel	15,469	15,492
Space Costs	107,254	107,240
Supplies	37,720	37,689
Equipment Purchase/Lease	34,470	34,490
Insurance	39,123	39,103
Telephone	24,340	24,342
Printing and Postage	11,452	11,448
Utilities	4,412	4,400
Assistance to Individuals	4,853	4,855
Other Costs	69,597	69,597
Indirect Costs	197,459	197,468
Total Grantor's Share	<u>2,099,224</u>	<u>2,090,526</u>
Grantee's Share:		
Salaries/Fringe	592,356	483,651
Travel	65,951	13,104
Space Costs	1,090	1,090
Supplies	24,785	24,787
Total Grantee's Share	<u>684,182</u>	<u>522,632</u>
Contribution Expense	4,068	16,646
Total Expenses	<u>2,787,474</u>	<u>\$ 2,629,804</u>
Change in Net Assets	1,090	
Net Assets - Beginning of Year	<u>11,488</u>	
Net Assets - End of Year	<u>\$ 12,578</u>	

See Accompanying Independent Auditors' Report

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Education  
USDA Food Reimbursement Program - Head Start and At Risk (75-8010)  
Schedule of Grant/Contract Activity  
For the Period From October 1, 2006 to September 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Education	\$ 121,996	
Total Revenue	<u>121,996</u>	
Expenses		
Fringe Benefits		\$ 10,000
Travel		5,000
Space Costs	12,969	18,046
Supplies	37,024	67,226
Utilities	6,437	10,000
Assistance to Individuals	95,509	102,688
Other Costs	2,343	20,000
Total Expenses	<u>154,282</u>	<u>\$ 232,960</u>
Change in Net Assets	(32,286)	
Net Assets - Beginning of Year	<u>110,963</u>	
Net Assets - End of Year	<u>\$ 78,677</u>	

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Education  
At Risk Child Development Grant  
Schedule of Grant/Contract Activity  
For the Period From July 1, 2006 to June 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Education	\$ 60,370	
Northwest Empowerment Funds	8,417	
In-Kind Contributions	20,228	
Organization Contribution	316	
Total Revenue	<u>89,331</u>	
Expenses		
Grantor's Share:		
Salaries and Wages	31,688	\$ 31,691
Fringe Benefits	11,865	11,871
Professional and Contract Service Fees	835	832
Travel	184	185
Space Costs	6,503	6,500
Supplies	960	960
Insurance	849	848
Telephone	695	695
Printing and Postage	143	140
Other Costs	590	590
Indirect Costs	6,058	6,058
Total Grantor's Share	<u>60,370</u>	<u>60,370</u>
Grantee's Share:		
Salaries and Fringe Benefits	17,047	11,654
Travel	2,941	
Supplies	240	481
Total Grantee's Share	<u>20,228</u>	<u>12,135</u>
Empowerment Expenses	2,354	8,417
Contribution Expense	185	1,016
Total Expenses	<u>83,137</u>	<u>\$ 81,938</u>
Change in Net Assets	6,194	
Net Assets - Beginning of Year	<u>700</u>	
Net Assets - End of Year	<u>\$ 6,894</u>	

See Accompanying Independent Auditors' Report

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Services  
Akron Wrap-Around Grant  
Schedule of Grant/Contract Activity  
For the Period From September 1, 2006 to August 31, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Services	\$ 35,958	
Total Revenue	<u>35,958</u>	
Expenses		
Salaries and Wages	7,575	\$ 7,100
Fringe Benefits	3,448	4,000
Professional and Contract Service Fees	23,400	23,400
Indirect Costs	1,535	1,500
Total Expenses	<u>35,958</u>	<u>\$ 36,000</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Services  
Hawarden Wrap-Around Grant  
Schedule of Grant/Contract Activity  
For the Period From September 1, 2006 to August 31, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Services	\$ 30,000	
Total Revenue	<u>30,000</u>	
Expenses		
Salaries and Wages	5,732	\$ 5,043
Fringe Benefits	1,957	2,680
Professional and Contract Service Fees	21,240	21,240
Indirect Costs	1,071	1,037
Total Expenses	<u>30,000</u>	<u>\$ 30,000</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Services  
Cherokee Wrap-Around Grant  
Schedule of Grant/Contract Activity  
For the Period From September 1, 2006 to August 31, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Services	\$ 48,000	
Total Revenue	<u>48,000</u>	
Expenses		
Salaries and Wages	8,500	\$ 8,400
Fringe Benefits	4,125	3,950
Professional and Contract Service Fees	31,200	31,200
Travel	2,000	2,000
Supplies	414	985
Indirect Costs	1,761	1,465
Total Expenses	<u>48,000</u>	<u>\$ 48,000</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Services  
Ida Grove Wrap-Around Grant  
Schedule of Grant/Contract Activity  
For the Period From September 1, 2006 to August 31, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Services	\$ 30,000	
Total Revenue	<u>30,000</u>	
Expenses		
Salaries and Wages	6,526	\$ 6,860
Fringe Benefits	2,250	2,100
Professional and Contract Service Fees	20,000	20,000
Indirect Costs	1,224	1,040
Total Expenses	<u>30,000</u>	<u>\$ 30,000</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

See Accompanying Independent Auditors' Report

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Services  
Orange City Head Start Wrap-Around Grant  
Schedule of Grant/Contract Activity  
For the Period From September 1, 2006 to August 31, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Services	\$ 12,000	
Total Revenue	<u>12,000</u>	
Expenses		
Salaries and Wages	600	\$ 600
Fringe Benefits	400	400
Professional and Contract Service Fees	10,000	10,000
Supplies	1,000	1,000
Total Expenses	<u>12,000</u>	<u>\$ 12,000</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

See Accompanying Independent Auditors' Report

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Services  
Le Mars Wrap-Around Grant - 1  
Schedule of Grant/Contract Activity  
For the Period From September 1, 2006 to August 31, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Services	\$ 48,000	
Total Revenue	<u>48,000</u>	
Expenses		
Salaries and Wages	7,279	\$ 8,150
Fringe Benefits	3,254	2,565
Professional and Contract Service Fees	36,000	36,000
Indirect Costs	1,467	1,285
Total Expenses	<u>48,000</u>	<u>\$ 48,000</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Services  
Le Mars Wrap-Around Grant - 2  
Schedule of Grant/Contract Activity  
For the Period From September 1, 2006 to August 31, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Services	\$ 48,000	
Total Revenue	<u>48,000</u>	
Expenses		
Salaries and Wages	7,566	\$ 7,950
Fringe Benefits	2,966	2,750
Professional and Contract Service Fees	36,000	36,000
Indirect Costs	1,468	1,300
Total Expenses	<u>48,000</u>	<u>\$ 48,000</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Services  
Rock Rapids Wrap-Around Grant  
Schedule of Grant/Contract Activity  
For the Period From September 1, 2006 to August 31, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Services	\$ 12,000	
Total Revenue	<u>12,000</u>	
Expenses		
Salaries and Wages	1,196	\$ 1,200
Fringe Benefits	558	600
Professional and Contract Service Fees	10,000	10,000
Indirect Costs	246	200
Total Expenses	<u>12,000</u>	<u>\$ 12,000</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Services  
Rock Valley Wrap-Around Grant  
Schedule of Grant/Contract Activity  
For the Period From September 1, 2006 to August 31, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Services	\$ 18,000	
Total Revenue	<u>18,000</u>	
Expenses		
Salaries and Wages	2,465	\$ 2,260
Fringe Benefits	168	400
Professional and Contract Service Fees	15,000	15,000
Indirect Costs	367	340
Total Expenses	<u>18,000</u>	<u>\$ 18,000</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Services  
Le Mars Early Head Start Wrap-Around Grant  
Schedule of Grant/Contract Activity  
For the Period From September 1, 2006 to August 31, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Services	\$ 10,895	
Total Revenue	<u>10,895</u>	
Expenses		
Salaries and Wages	2,000	\$ 2,000
Fringe Benefits	320	650
Professional and Contract Service Fees	8,250	9,000
Indirect Costs	325	350
Total Expenses	<u>10,895</u>	<u>\$ 12,000</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Rights  
Family Development and Self-Sufficiency (FADSS 06-06-FG)  
Schedule of Grant/Contract Activity  
For the Period From July 1, 2006 to June 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Rights	\$ 131,500	
Public Support and Donations	<u>4,000</u>	
Total Revenue	<u>135,500</u>	
Expenses		
Salaries and Wages	68,415	\$ 66,146
Fringe Benefits	24,775	23,856
Travel	12,982	12,805
Space Costs	6,626	7,400
Supplies	10,177	11,655
Insurance	682	845
Telephone	4,002	3,919
Printing and Postage	442	550
Other Costs	39	925
Indirect Costs	12,860	12,899
Total Expenses	<u>141,000</u>	<u>\$ 141,000</u>
Change in Net Assets	(5,500)	
Net Assets - Beginning of Year	<u>5,500</u>	
Net Assets - End of Year	<u>\$ -</u>	

MID-SIOUX OPPORTUNITY, INC.  
Federal Emergency Management Agency  
Emergency Food and Shelter Grant  
Schedule of Grant/Contract Activity  
For the Period From October 1, 2006 to September 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
FEMA	\$ 17,479	
Total Revenue	<u>17,479</u>	
Expenses		
Salaries and Wages	350	\$ 350
Assistance to Individuals	<u>17,129</u>	<u>17,129</u>
Total Expenses	<u>17,479</u>	<u>\$ 17,479</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

See Accompanying Independent Auditors' Report

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Rights  
Low Income Home Energy Assistance Program (LIHEAP-07-06-G)  
Schedule of Grant/Contract Activity  
For the Period From October 1, 2006 to September 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Public Health	\$ 909,277	
Total Revenue	<u>909,277</u>	
Expenses		
Grantor's Share:		
Client Assistance		
Regular	694,347	\$ 695,533
ECIP	49,859	49,859
Client Services	22,228	22,228
Summer Deliverable Fuel	57,196	57,196
DARP	13,800	13,800
Administration	71,847	71,847
Total Expenses	<u>909,277</u>	<u>\$ 910,463</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Rights  
Home Energy Assistance Weatherization Program (HEAP-06-06G)  
Schedule of Grant/Contract Activity  
For the Period From April 1, 2006 to March 31, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Rights	\$ 179,367	
Total Revenue	<u>179,367</u>	
Expenses		
Administration	8,387	\$ 8,387
Support	54,966	36,614
Labor	14,831	38,183
Materials	23,128	38,183
Health and Safety	50,174	28,245
Training/Equipment	10,196	41,705
Insurance	11,236	11,236
Other Costs	6,449	6,899
Total Expenses	<u>179,367</u>	<u>\$ 209,452</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

See Accompanying Independent Auditors' Report

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Economic Development  
Homeless Shelter Opportunity Grant  
Schedule of Grant/Contract Activity  
For the Period From July 1, 2006 to June 30, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Economic Development	\$ 16,000	
Total Revenue	<u>16,000</u>	
Expenses		
Assistance to Individuals	16,000	\$ 16,000
Total Expenses	<u>16,000</u>	<u>\$ 16,000</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

See Accompanying Independent Auditors' Report

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Rights  
Weatherization Assistance for Low-Income Persons (DOE 06-06G)  
Schedule of Grant/Contract Activity  
For the Period From April 1, 2006 to March 31, 2007

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Rights	\$ 117,287	
Total Revenue	<u>117,287</u>	
Expenses		
Administration	18,235	\$ 18,235
Support	23,621	25,680
Labor	23,412	26,781
Materials	33,228	26,781
Health and Safety	18,791	19,810
Total Expenses	<u>117,287</u>	<u>\$ 117,287</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Rights  
Weatherization Assistance (MEC-06-06G)  
Schedule of Grant/Contract Activity  
For the Period From January 1, 2006 to December 31, 2006

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Rights	\$ 61,894	
Total Revenue	<u>61,894</u>	
Expenses		
Administration	3,095	\$ 3,095
Support	6,511	6,189
Labor	20,917	26,305
Materials	31,371	26,305
Total Expenses	<u>61,894</u>	<u>\$ 61,894</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

MID-SIOUX OPPORTUNITY, INC.  
Iowa Department of Human Rights  
Weatherization Assistance (IPL-06-06G)  
Schedule of Grant/Contract Activity  
For the Period From January 1, 2006 to December 31, 2006

	<u>Actual</u>	<u>Budget</u>
Revenue		
Governmental Funding Sources:		
Iowa Department of Human Rights	\$ 33,752	
Total Revenue	<u>33,752</u>	
Expenses		
Administration	1,688	\$ 1,688
Support	2,373	3,374
Labor	11,915	14,345
Materials	17,776	14,345
Total Expenses	<u>33,752</u>	<u>\$ 33,752</u>
Change in Net Assets	-	
Net Assets - Beginning of Year	<u>-</u>	
Net Assets - End of Year	<u>\$ -</u>	

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED  
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Mid-Sioux Opportunity, Inc.  
Remsen, Iowa

We have audited the accompanying financial statements of Mid-Sioux Opportunity, Inc., Remsen, Iowa as of and for the year ended September 30, 2007, and have issued our report thereon dated December 24, 2007. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Mid-Sioux Opportunity, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing our opinion of the effectiveness of the Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Mid-Sioux Opportunity, Inc.'s internal control over financial reporting. Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency exists when the design or operation of the control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Mid-Sioux Opportunity's Inc.'s ability to initiate, authorize, record, process, or report financial data reliably in accordance with U.S. generally accepted accounting principles such that there is more than a remote likelihood a misstatement of the Agency's financial statements that is more than inconsequential will not be prevented or detected by the Agency's internal control. We consider the deficiency in internal control described in Part II of the accompanying Schedule of Findings and Questioned Costs to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood a material misstatement of the financial statements will not be prevented or detected by the Agency's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not

necessarily disclose all significant deficiencies that are also considered to material weaknesses. The significant deficiency described above, item II-A-07, we believe is not a material weakness.

### Compliance

As part of obtaining reasonable assurance about whether Mid-Sioux Opportunity, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Comments involving statutory and other legal matters about the Agency's operations for the year ended September 30, 2007, are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the Agency. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations on those statutes.

Mid-Sioux Opportunity, Inc.'s responses to findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. While we expressed our conclusions on the Agency's responses, we did not audit the Agency's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the Board of Directors and other parties to whom Mid-Sioux Opportunity, Inc. may report, including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Mid-Sioux Opportunity, Inc. during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

  
Certified Public Accountants

Le Mars, Iowa  
December 24, 2007



21 1<sup>st</sup> Avenue NW  
P.O. Box 1010  
Le Mars, IA 51031  
Phone (712) 546-7801  
Fax (712) 546-6543

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM  
AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133**

The Board of Directors  
Mid-Sioux Opportunity, Inc.  
Remsen, Iowa

**Compliance**

We have audited the compliance of Mid-Sioux Opportunity, Inc., Remsen, Iowa, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2007. Mid-Sioux Opportunity, Inc.'s major federal programs are identified in Part I of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grant agreements applicable to each of its major federal programs is the responsibility of the Agency's management. Our responsibility is to express an opinion on the Agency's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards, Chapter 11 of the Code of Iowa, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on compliance with those requirements.

In our opinion, the Agency complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2007.

**Internal Control Over Compliance**

The management of the Agency is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grant agreements applicable to federal programs. In planning and performing our audit, we considered the Agency's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of Mid-Sioux Opportunity, Inc.'s internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the Agency's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified a deficiency in internal control over compliance that we do not consider to be a material weakness.

A control deficiency in the Agency's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the Agency's ability to administer a federal program such that there is more than a remote likelihood noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the Agency's internal control. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Finding and Questioned Costs as item III-A-07 to be a significant deficiency.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Agency's internal control. The significant deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item III-A-07 is not considered to be a material weakness.

Mid-Sioux Opportunity, Inc.'s responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. While we expressed our conclusions on the Agency's responses, we did not audit the Agency's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, the Board of Directors and other parties to whom Mid-Sioux Opportunity, Inc. may report, including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.

*Withiam & Lapan, P.C.*  
Certified Public Accountants

Le Mars, Iowa  
December 24, 2007

**MID-SIOUX OPPORTUNITY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED SEPTEMBER 30, 2007**

Part I: Summary of the Independent Auditors' Results

- a. An unqualified opinion was issued on the financial statements.
- b. A significant deficiency in internal control over financial reporting was disclosed by the audit of the financial statements.
- c. The audit did not disclose any non-compliance which is material to the financial statements.
- d. A significant deficiency in internal control over major programs was disclosed by the audit of the financial statements, which is not considered to be a material weakness.
- e. An unqualified opinion was issued on compliance with requirements applicable to each major program.
- f. The audit disclosed audit findings which are required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510(a).
- g. Major programs were as follows:
  - CFDA Number 10.558 – Child and Adult Care Food Program
  - CFDA Number 93.575 – Child Care and Development Block Grant
- h. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- i. Mid-Sioux Opportunity, Inc. did qualify as a low-risk auditee.

Part II: Findings Related to the Financial Statements Reported in Accordance with *Government Auditing Standards*

Instances of Non-Compliance:

No matters were reported.  
There were no prior year audit findings.

Significant Deficiency:

II-A-07 Financial Reporting – During the audit, we identified a fence not recorded in the Agency's financial statements. However, this appears to be an isolated incident. An adjustment was subsequently made by the Agency to properly include this amount in the financial statements.

Recommendation – The Agency has procedures in place to ensure fixed assets are identified in the Agency's financial statements. The Agency should review their procedures to verify all fixed assets are recorded.

Response – We will review our current procedures to identify where weaknesses are occurring and will take the necessary action to ensure proper amounts are recorded in the financial statements in the future.

Conclusion – Response accepted.

**MID-SIOUX OPPORTUNITY, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED SEPTEMBER 30, 2007**

Part III: Findings and Questioned Costs for Federal Awards

Instances of Non-Compliance:

No matters were reported.  
There were no prior year audit findings.

Significant Deficiency:

III-A-07 Financial Reporting – During the audit, we identified a fence not recorded in the Agency's financial statements. However, this appears to be an isolated incident. An adjustment was subsequently made by the Agency to properly include this amount in the financial statements.

Recommendation – The Agency has procedures in place to ensure fixed assets are identified in the Agency's financial statements. The Agency should review their procedures to verify all fixed assets are recorded.

Response – We will review our current procedures to identify where weaknesses are occurring and will take the necessary action to ensure proper amounts are recorded in the financial statements in the future.

Conclusion – Response accepted.

Part IV: Other Findings Related to Statutory Requirements and Other Matters

None

**MID-SIOUX OPPORTUNITY, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED SEPTEMBER 30, 2007**

There were no prior year audit findings.

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418 S. Marion Street • Remsen, IA 51050 • 712-786-2001  
www.mid-siouxopportunity.org

**Corrective Action Plan  
December 24, 2007**

**To Funding Agencies:**

Mid-Sioux Opportunity, Inc., respectfully submits the following corrective action plan for the year ended September 30, 2007.

The audit was performed by Williams & Company, P.C., P.O. Box 1010, Le Mars, Iowa, for the fiscal year ended September 30, 2007.

The findings from the September 30, 2007 Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the number assigned in the schedule.

Part II - Findings Related to the Financial Statements Reported in Accordance with *Government Auditing Standards*.

Significant Deficiency:

II-A-07 – Financial Reporting

Recommendation – The Agency has procedures in place to ensure fixed assets are identified in the Agency's financial statements. The Agency should review their procedures to verify all fixed assets are recorded.

Response - We will review our current procedures to identify where weaknesses are occurring and will take the necessary action to ensure proper amounts are recorded in the financial statements in the future.

Part III – Findings Related to Federal Awards.

Significant Deficiency:

III-A-07 – Financial Reporting

Recommendation – The Agency has procedures in place to ensure fixed assets are identified in the Agency's financial statements. The Agency should review their procedures to verify all fixed assets are recorded.

Response - We will review our current procedures to identify where weaknesses are occurring and will take the necessary action to ensure proper amounts are recorded in the financial statements in the future.

If the funding agencies have questions regarding this plan, please call Dick Sievers at 712-786-2001.

Sincerely yours,

Dick Sievers, Executive Directors